

Arizona Department of Economic Security Division of Employment and Rehabilitation Services Engagement in Additional Activities Summary and Analysis – ACF-812

In the *Claims Resolution Act of 2010*, which extended Temporary Assistance for Needy Families (TANF) funding through September 30, 2011, the States were provided new reporting requirements. *Section 812* of this Act, entitled *Modifications to TANF Data Reporting* (herein referred to as *ACF-812*), specifies new reporting requirements for engagement in additional work activities to be published on each State's website. The U.S. Department of Health and Human Services, Administration of Children and Families (ACF) the Federal regulatory agency overseeing state TANF programs provided additional guidance outlined in its formal *Program Instruction, Transmittal No. TANF-ACF-PI-2011-03*.

Among the States' new responsibilities set forth in this Act is a requirement that States submit two reports; the first encompassing the entire month of March 2011, and the second covering the period from April 1st through June 30th, 2011. This document represents the second report submittal.

This report supplements extensive Federal reporting that the States already provide to the ACF on a quarterly basis. The ACF in return provides the States with quarterly reports including the official TANF Work Participation Rate (WPR), a Federal program measure of success.

To remain in compliance with program requirements, and to avoid Federal financial penalties, Federal law requires that a minimum of 50 percent of a State's work-eligible adults be engaged in 'countable' work activities. In two-parent households this requirement is increased to 90 percent. These rates constitute the aforementioned TANF WPR. Any applicable Caseload Reduction Credit that the State is eligible for is also included in the calculation of the State's TANF WPR.

In Federal Fiscal Year (FFY) 2008, and again in FFY 2009 (the two most recent years for which this data is available), Arizona exceeded the standards required in both the all families and the two-parent categories.

Summary

Arizona collected additional data on the experiences of our TANF families while participating in the TANF related work program, the Arizona Jobs Program. Arizona uses countable work activities to the greatest extent possible, given the strict parameters in which work activities are countable and allowable for the work participation calculation to meet the 50 percent mandatory participation rate as required by Federal law.

The ACF defined which activities are countable in *45 CFR, Part 261-Ensuring That Recipients Work*. Any other activities are considered non-countable. Historically, States have not reported to the Federal agency those work activities not counted toward the mandatory 50 percent / 90 percent WPRs. Under this new requirement however, they are now expected to do so.

Type of Work Eligible Individual	Minimum Number of Hours Averaged per Week During a Month
Single parent/caretaker relative with child under 6 years old	20
Single parent/caretaker relative with child 6 years and older	30

Table 1 – Minimum Participation Hours Required of Work Eligible Individuals

Federally mandated work activities are the **ONLY** activities considered in the calculation of the WPR. There are two types of Federal activities: **Core** activities and **Non-Core** activities. Federal work activities may be assigned separately or in combination. Non-Core activities will count toward the Federal requirement only if the first 20 hours per week come from Core activities.

Core activities are:

- Unsubsidized Employment
- Subsidized Employment
- On-the-Job Training
- Work Experience-unpaid
- Job Search and Job Readiness Assistance (time-limited)
- Community Service
- Vocational Educational Training (time-limited)

Non-Core activities are:

- Jobs Skills Training Directly Related to Employment
- Satisfactory Attendance in High School or GED Preparation Classes
- Education Directly Related to Employment
- English as a Second Language (ESL)

All actual hours of participation must be verified prior to recording actual participation hours. Documentation of the verification used to substantiate recorded actual hours must be maintained with the case record.

All other activities are considered non-countable.

For the purposes of this report, per the Federal guidance, States must collect and report the following information:

1. Whether the individual engages in any activities that are directed toward attaining self-sufficiency; and
2. If yes, the specific activities that:
 - a) do not qualify as a countable work activity, but are otherwise reasonably calculated to help the family move to self-sufficiency; or
 - b) could be a countable work activity, but for the fact that either the work-eligible individual has not engaged in such activities for a sufficient number of hours; the work-eligible individual has reached a maximum time limit allowed for having participation in the activity count; or the number of work-eligible individuals engaged in such activity exceeds a statutory limitation.

To address these issues, it is important to illustrate the breakdown of the families being discussed. First, it should be noted that all data reported in this summary is raw data and will be subject to additional review and validation through the remainder of the year.

In April 2011, Arizona had 14,020 individuals active in the Jobs program. Of those 14,020 work-eligible individuals, 4,148 participated in a work activity directed to helping the family move toward self-sufficiency. Of those 4,148, a total of 2,704 participated for the required hours as identified in Table One above. The other 1,444 people participated, but did not meet the participation requirement.

In May 2011, Arizona had 13,931 individuals active in the Jobs program. Of those 13,931 work-eligible individuals, 3,950 participated in a work activity directed to helping the family move toward self-sufficiency. Of those 3,950, a total of 2,713 participated for the required hours as identified in Table One above. The other 1,237 people participated, but did not meet the participation requirement.

In June 2011, Arizona had 13,763 individuals active in the Jobs program. Of these 13,763 work-eligible individuals, 3,838 participated in a work activity directed to helping the family move toward self-sufficiency. Of those 3,838, a total of 2,479 participated for the required hours as identified in Table One above. The other 1,359 people participated, but did not meet the participation requirement.

Activity	April Percent	May Percent	June Percent
Job search and job readiness assistance	30	27	29
Unsubsidized employment	24	26	24
Vocational training	18	19	17
Work experience	18	17	16
Community service activities	15	16	18
Job skills training directly related to employment	9	8	7
Satisfactory school attendance (GED or High School)	6	6	4
Education directly related to employment	4	3	2

Table 2 – Participation in Countable Activities (April-June 2011)

Note: The total of all percentages does not equal 100 percent as some participants were engaged in more than one activity.

There were 1,422 individuals in April, 1,411 in May, and 808 in June who participated in activities not countable toward the work rate but that assisted the family move toward self-sufficiency (see Table 3 below).

The activities below are called 'State activities' and are not considered in the calculation of the Federal WPR. Assignments in State activities are short-term in nature and serve to eliminate barriers to participation in countable Federal work activities.. Participation in State activities is often the best first step toward participation in countable activities for certain individuals. State activities can be in conjunction with Federal work activities.

Activity	April Percent	May Percent	June Percent
Non-countable Job search	28	23	41
Resolving barriers to participation	46	55	29
Family life skills	10	9	14
High school or GED	6	5	7
Adult basic education / ESL	3	2	2
Assessment	2	1	2
Resolving family issue(s)	2	2	2
Physical or mental health treatment activities	0.7	0.6	2

Table 3 – Participation in Non-Countable Activities

Note: The total of all percentages does not equal 100 percent as some participants were engaged in more than one activity.

As previously stated, the new reporting elements required in *ACF-812* involve the tracking of non-countable activities. Prior to the introduction of these new elements, the focus had been on tracking activities that counted towards the work participation requirements. Arizona instituted new procedures for Jobs Program field staff to enter hours of participation for non-countable activities into our data management system.

Instituting the new tracking requirements was a significant accomplishment for the State. Prompt notice of the change to field staff allowed case managers to start collecting the data and resulted in Arizona being able to report data on non-countable activities for both the March 2011 and April-June 2011 reports.

Analysis Statement

The data submitted in compliance with *ACF-812* shows that a number of individuals did participate in activities that, while not contributing to the work participation rate, will improve the participants' ability to engage in future countable activities and achieve their highest level of self-sufficiency. Non-countable activities, such as family life skills or completion of high school or a GED, will assist the participant in removing barriers to their employment.

Most Common Activities Not Counted Towards Work Participation Rate

The most common non-countable activities performed by participants in this report's reporting period were:

- Non-countable Job search
- Working on resolving barriers to participation
- Family life skills
- High School/GED

None of these activities are included in the calculation of the work rate. However, these activities are still very important in moving participants with employment barriers into the work force. Extended, non-countable job search activity is important since, due to the severity of the last recession, there was a significant increase of the unemployment rate in Arizona. With higher unemployment there is greater

competition for available job openings, thus additional time can be required for the completion of a successful job search.

Resolving barriers to participation in the Jobs Program is also important. Eliminating barriers to participation will allow participants to more fully commit themselves to achieving self-sufficiency. Improving family life skills and completing high school/GED programs provide benefits to Arizona participants as well. Improving life skills and the successful completion of secondary education programs will help to increase the employability of the participant.

While these participants in non-countable activities did not count toward the State work participation rate, these activities do improve the opportunities of Arizona participants and increases the likelihood of future, countable activity participation and eventual employment.